

HAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.12
--	-----------------------------	------------------------------

ASSET LIMIT

- A. An assistance unit cannot have countable assets in excess of the allowable asset limit and receive cash assistance
- B. The current limit is \$2000 for TCA
- C. Count the assets from the date of application
 1. If the assets of the entire assistance unit are \$2000 or less at the date of application the unit meets eligibility; eligibility exists even if the assets were over scale prior to the application, providing no assets were transferred to make the family eligible
 2. Applicants with excessive assets on the date of application, who state they have not paid the living expenses listed below, have 10 days to provide proof of paying the living expenses before the application is denied because of assets over the allowable limit
 - Rent or mortgage
 - Utilities (including water bills)
 - Food
 3. When applicants who have assets that exceed the \$2000 limit state they are listed on a parent, relative, or any other person's bank account for emergency reasons, but do not personally use the funds, refer that person to the banking institution to have the account set up correctly
 - If the applicant can provide proof that the asset is the property of the relative or other person, do not delay benefits while the banking institution makes the adjustment to the relative or person's account
- D. If countable assets exceed \$2000 on the decision date, deny the application
- E. For ongoing cases, the family must report changes in assets once they exceed \$2000. When such a change is discovered close the case the month after adverse action takes place.

CHAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.12 07.03.03.06 07.03.03.15
---	-----------------------------	--

COUNTABLE ASSETS

- A. Count any asset toward the \$2000 asset limit when the customer has a legal interest in the asset and that asset is accessible. Some examples of countable assets are as follows:
 1. Bank accounts (savings and checking)
 2. Stocks
 3. Bonds
 4. Money on hand
 5. Real property (other than the primary residence) not listed for sale
 6. Funds received from the Family Self-Sufficiency Program (FSS) under the Housing and Urban Development Department (HUD)
(when given to the customer, not when held in escrow)
- B. Unless specifically excluded, all assets are countable
- C. The value of countable assets must be verified

EXCLUDED ASSETS

- A. These assets are not included when testing against the \$2000 asset limit:
 1. Personal items
 2. Main residence for the family, including the home and contiguous land
 3. Household accessories and furnishings
 4. Life Insurance Policies
 5. Cash value of life insurance policies
 6. Appliances
 7. Health aids such as wheelchairs, hearing aids, walking aids
 8. Educational materials, books

CHAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.11 07.03.03.06 07.03.03.15
---	-----------------------------	--

9. Toys and juvenile playthings
10. All vehicles
11. One burial plot per assistance unit member
12. Contracted burial agreements
13. Tools and equipment needed for employment
14. Farm machinery, livestock, tools, and business equipment
15. Life estates
16. Inaccessible assets (must be documented)
17. Trust accounts established by court order
18. Up to \$2000 held in a separate bank account from each child's earnings
19. Real property, other than the main residence, if it is up for sale through a realtor
17. Income producing property when the income charged for the property is consistent with that produced by similar properties in the same area (however the income is counted – see chapter IX, section 13, Income – Earned)
18. Individual Development Accounts (IDAs)
19. Funds placed into an escrow account under HUD's Family Self-Sufficiency Program
20. Subsidy payments under the Welfare-To-Work Rental Voucher Program
21. Resources excluded under federal statute such as benefits received from:
 - A. The supplemental food program for women, infants and children (WIC)
 - B. The National School Lunch Act
 - C. The Disaster Relief Act

CHAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.11 07.03.03.06 07.03.03.15
---	-----------------------------	--

- D. The Higher Education Act
- E. The Workforce Investment Act except for on-the- job training payments to adults
- F. Agent Orange Compensation Exclusion of 1989
- G. The Radiation Exposure Compensation Act of 1990
- H. The Civil Liberties Act of 1988 (Wartime Relocation of Civilians)
- I. The Crime Act of 1984
- J. The Nazi Persecution Crime Act
- K. Energy Assistance payments
- L. Public Law 104-204 (Payments to a child of a Vietnam Veteran for a disability resulting from spina bifida suffered by the child)
- M. Reimbursements from the Uniform Relocation Assistance Act of 1970
- N. Earned income tax credit payments
- 22. Non liquid assets against which a lien is placed as a result of taking out a business loan, and the household is prohibited by the security or lien agreement with the lien holder or creditor from selling the asset
- 23. The resources of any household member who receives SSI, TCA, TEMHA or PAA
- B. Require verification to the extent needed to prove the excludable asset

HAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.11
--	-----------------------------	------------------------------

ASSETS OF SPONSORS (POLICY EFFECTIVE DECEMBER 19, 1997)

- A. Deem all assets belonging to the sponsor and the sponsor's spouse (if they reside together) for the legal immigrant entering the United States on or after December 19, 1997
- B. 100% of the assets belonging to the sponsor and to the sponsor's spouse (if they reside together) must be deemed until:
 1. The immigrant becomes a United States citizen
 2. The sponsor or the legal immigrant dies
 3. The immigrant has 40 quarters of verifiable earnings, or
- C. Deeming all sponsor assets and incomes makes most sponsored immigrants ineligible
- D. Deeming of assets does not apply to:
 1. Refugees and asylees exempt from deeming provisions
 2. Legal permanent residents (LPRs) who have been credited with 40 qualifying quarters
 3. Battered spouses and children
 - **Exempt** from deeming provisions **for one year** if they have been battered or subjected to extreme cruelty in the United States by a spouse, parent, or other family member residing in the household who is the sponsor
 4. The indigent
 - **Exempt** from deeming provisions if they have been abandoned by their sponsor or if the sponsor's contribution is so inadequate that the immigrant would go without food or shelter
 - The exemption lasts for one year after the determination of indigence has been made

CHAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.11
---	-----------------------------	------------------------------

JOINTLY OWNED ASSETS

- A. The pro-rata share (less any legal debts) of assets shared by an assistance unit member and non-member is countable towards the TCA \$2000 asset limit
- B. If the assistance unit member declares the jointly owned assets are inaccessible, substantiating proof must be provided. The most common jointly owned assets are:
 1. Vehicles
 2. Bank accounts
 3. Real estate
- C. Acceptable proof that an asset is inaccessible:
 1. A written statement from the non member indicating an unwillingness to sell
 2. Legal documentation that an account is inaccessible
- D. If the jointly owned asset is shared with a Supplemental Security Income (SSI) customer, and is excluded for medical purposes, it is also excluded for TCA

ASSETS OF INDIVIDUALS EXCLUDED FROM THE ASSISTANCE UNIT

- A. Assets of some persons excluded from the assistance unit are considered as available to the members in the TCA assistance unit. This applies to the assets of the following persons who are not in the assistance unit:
 1. Stepparents
 2. Illegal immigrants - parent of child in the assistance unit
 3. Undocumented immigrants - parent of child or a child in the assistance
 4. Technically ineligible household members:
 - The child not in school (exclude up to \$2000 from earnings)

HAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.11
--	-----------------------------	------------------------------

- The child who did not comply with work requirements (exclude up to \$2000 from earnings)
- The individual who fails to provide a social security number
- The sanctioned person
- Fleeing felons
- The individual who has violated parole or probation
- The individual who has fraudulently received assistance from 2 states simultaneously

- B. Assets of a Supplemental Security Income (SSI) customer, those of a child for whom Foster Care payments are received, and a child for whom an adoption subsidy is received are **never counted as available to the assistance unit**

(This is an exception to the policy regarding persons who are excluded from the TCA assistance unit)

TRANSFER OF ASSETS

- A. Applicants or customers who transfer assets to become eligible or remain eligible for cash assistance are ineligible if:
1. Assets are transferred in the 3 month period before the application month, or
 2. Assets are transferred after the family has been approved for benefits
- B. A period of ineligibility is calculated as follows:
1. Determine the equity value of the transferred assets
 2. Subtract the amount of assets which can be retained without exceeding the asset limit
 3. Divide the difference by the TCA benefit amount for the assistance unit size

HAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.11
--	-----------------------------	------------------------------

4. Ineligibility is for the number of months in step 3. Any fraction of a month is disregarded

Note: In situations involving a transfer of assets, the case manager needs to evaluate the action to determine if the transfer of assets or the use of funds was with the intent to qualify for assistance.

If the transfer of assets or the use of funds was done to qualify for assistance, a period of ineligibility is given, unless the total amount of the transfer is less than the allowable asset limit.

If the transfer of assets or the use of funds was to meet living expenses such as food, utilities, or shelter costs, the family is eligible.

EXAMPLES: TRANSFER OF ASSETS

- Example 1. Mrs. Utah applied for TCA for herself and 2 children. In the month prior to applying, she transferred \$3000 from her savings account to her sister so she would be eligible.

\$3000 - Value
- 2000 - Allowable asset limit
\$1000 - Difference

\$ 477 - Benefit amount for a family size 3

$\$1000 \div \$ 477 = 2.1 \text{ months} = 2 \text{ months of ineligibility}$

- Example 2. Mrs. Largo applied for TCA for herself and 3 children when her husband deserted the family at the first of the month. She had \$2132 in a personal checking account and no other resources. On the tenth of the month, she used \$840 to pay the mortgage and purchase food for the family.

- Not a transfer of assets - Used funds to pay living expenses

- Example 3. Mr. Washington applied for TCA for himself and 4 children due to disability. He had a savings account of \$900. He gave the \$900 to his mother so he would have zero assets when applying.

CHAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 3 ASSETS	COMAR: 07.03.03.11
---	-----------------------------	------------------------------

- No effect on eligibility - The amount given was less than the allowable asset limit

ADDITIONAL INFORMATION

- Assistance Unit – Basic Requirements
- Technical Eligibility – Citizenship/Immigrants
- Financial Eligibility - Unearned Income